

**Joint Meeting of the Water & Sewer Commission
And the Electric Utility Commission
May 2, 2016**

- I. **Roll Call:** Commissioners Steve Fitzhugh, Chris Bradley, Ken Goslant, Dennis Donahue, Nate Freeman (absent). Others present: Town Manager Jeff Schulz; Utility Superintendent Pat Demasi; Matt Gadbois; Joss Saunders.

Steve Fitzhugh called the meeting to order at 7:00 PM.

II. **Meeting of the Water/Sewer Commission**

Water and Sewer Budgets

Jeff Schulz noted that the current year water budget (FY 15/16) is running an approximately \$83,000 deficit due to the loss of Comfort Colors. There was \$178,000 in surplus at the start of FY 15/16; therefore, there will be approximately \$90,000 available for use in FY 16/17 to reduce the anticipated rate increase. The FY 16/17 draft budget includes an estimated deficit of \$176,320. If the Commission uses \$90,000 of surplus the rate will need to increase 9%; which translates into an increase of \$3.00 on the average residential monthly bill. Based upon discussions at the previous Commission meeting, the proposed revised budget includes reductions in personnel costs and the capital budget. However, the budget reductions were off-set by the need to add in a half years' worth of interest payments on the Central and King Street projects.

Motion by Steve Fitzhugh, seconded by Ken Goslant, to use \$90,000 of the Water Department surplus in the FY 16/17 budget to achieve a water rate increase of 9%.

Motion passed 3-0.

Jeff Schulz noted there is also a projected deficit within the sewer budget due to a loss of water sales; which translates into an operating revenue deficit of \$249,000. However, with the budget reductions in the draft budget and funds available from surplus (totaling \$131,000), there is no need for a rate increase for the sewer budget.

Motion by Steve Fitzhugh, second by Ken Goslant, to use \$131,750 of the Sewer Department surplus in the FY 16/17 budget to reduce the sewer rate increase to zero.

Motion passed 3-0.

Motion by Steve Fitzhugh, second Ken Goslant, to send the water/sewer budgets dated April 28, 2016 to the Select Board for the setting of the rates. **Motion passed 3-0.**

Chris Bradley recommended that the Commission prepare and send a letter to the Northfield utility rate payers informing of them of the impending water rate increase. The Water and Sewer Commissioners agreed to send a letter to the rate payers. Chris Bradley volunteered to draft and distribute the letter to the Commissioners for review.

Motion by Ken Goslant, second by Steve Fitzhugh, to adjourn the Water and Sewer Commission. **Motion passed 3-0-0.**

III. Meeting of the Electric Utility Commission

Electric Budgets

Jeff Schulz noted that the Draft FY 16/17 Electric Department budget, dated April 28, 2016, shows a slight decrease in revenues of \$19,560. However, the operating expenses (primarily purchased power costs) are projected to be down \$138,300. As a result, there is predicted net surplus in the Electric Department budget.

Motion by Dennis Donahue, seconded by Chris Bradley, to send the electric utility budgets, dated April 28, 2016 to the Select Board. **Motion passed 3-0.**

Motion by Dennis Donahue to adjourn the Electric Commission, second by Steve Fitzhugh. **Motion passed 3-0-0.**

Respectfully Submitted,

Adjournment